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SURGICAL INSTRUMENT SERVICE COMPANY, INC.

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

SURGICAL INSTRUMENT SERVICE
COMPANY, INC.

Plaintiff/Counter-Defendant,

v.

INTUITIVE SURGICAL, INC.,

Defendant/Counterclaimant.

Case No. 3:21-cv-03496-AMO

Honorable Araceli Martínez-Olgún

DECLARATION OF KEITH JOHNSON

1 I, Keith Johnson, declare as follows:

2 1. I was the Executive Vice President of Sales and Clinical Programs at Surgical
3 Instrument Service Company, Inc. ("SIS") for 14 years. In that role, I had direct responsibility for
4 corporate sales, GPO relationships, and customer relationships.

5 2. I was responsible for, among other things, advertising, promotional, marketing and
6 other informational materials and communications relating to the services that SIS markets or
7 performs on or in connection with EndoWrist instruments. My day-to-day responsibilities
8 included customer communications and marketing of SIS's services. Additionally, I lead, trained,
9 and monitored SIS's national sales force.

10 3. I was also involved with the business relationships between SIS and Restore
11 Robotics, LLC; Restore Robotics Repairs, LLC; MediVision, Inc.; Clif Parker Robotics, LLC;
12 Rebotix Repair, LLC; Benjamin Biomedical, Inc.; and Vizient, Inc.

13 4. Vizient is a group purchasing organization ("GPO") that focuses on supply chain
14 and helping hospitals streamline services, reduce costs, and overall bettering hospital profitability
15 and functionality. It is the largest GPO in the United States. Vizient contracts with vendors from
16 all aspects in a hospital, from toilet paper to X-ray machines and security. Vizient has their
17 vendors go through a huge vetting process. SIS is one of a small number of vendors on the
18 Vizient national contract in the instrument repair space.

19 5. At a high level, SIS's primary and principal business is repairing surgical
20 instruments and devices. Between 80 to 90 percent of SIS's revenue is generated from repair
21 services, with the remainder coming from sales of surgical instruments manufactured by other
22 companies.

23 6. I first heard about the Rebotix business involving EndoWrist repair and reset at an
24 AAMI conference in approximately June 2019. At that time I believe there were about 300 to 500
25

1 da Vinci Si surgical robots still being used in the United States. A company named Restore was at
2 that time the exclusive distributor for the Rebotix EndoWrist repair and reset service in the United
3 States. However, Restore had not achieved any significant penetration of the potential U.S.
4 market for EndoWrist repair and reset. SIS became a candidate to replace Restore as the U.S.
5 distributor for the Rebotix EndoWrist repair program. Accordingly, I and others at SIS worked
6 with Rebotix Repair to offer a repair program on Intuitive Si EndoWrists. Toward the end of
7 2019, SIS had started providing repair services to facilities in the United States on Si EndoWrists.

9 7. The EndoWrist repair program that SIS was operating with the assistance of
10 Rebotix involved working with hospitals to repair their EndoWrists and prolong the useful life of
11 those devices. Those repair services involved inspecting the EndoWrists supplied to SIS by
12 hospital customers for functionality and safety, and adding additional lives to extend the life of
13 the hospital's EndoWrist device. A new chip was installed to add 10 additional lives to that
14 device.
15

16 8. I have personally observed the repair process that Rebotix performed on the
17 hospital EndoWrists provided to SIS, including the complete incoming inspection process, the
18 chip replacement process, and the complete outgoing safety and function testing of the repaired
19 EndoWrist devices.
20

21 9. I was not involved in the engineering and the technical side of developing the
22 repair program for hospital Si EndoWrists. I was involved in providing information to customers
23 regarding the SIS EndoWrist repair program, providing customer feedback, customer thoughts,
24 and customer interest in that program.

25 10. Since the Si EndoWrist repair program offered by SIS started, the interest from
26 both current and potential new hospital customers was monumental -- through the roof. The
27 customers' interest in saving and reducing costs on robotic surgery through the SIS repair
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1 program was something I had never experienced before in my over 20 years of working in the
2 surgical business. I personally participated in a meeting held in February 2020 at SIS's Glendale
3 Heights facility which focused on SIS's program for repair of EndoWrists. That meeting was
4 attended by multiple representatives of a large hospital system having tens of millions in annual
5 EndoWrist costs. The attendees at this meeting appeared keenly interested in the SIS program
6 where SIS would perform the repairs of the EndoWrists at its facilities with third parties, such as
7 Rebotix, providing the updated chip needed to reset the use counter which gave the EndoWrist an
8 additional ten uses. SIS estimated that the Si EndoWrist repair program had the potential to
9 generate \$250M to \$350M in revenue per year and we could reach that revenue projection in
10 eight to 18 months.
11

12 11. During the time we were preparing to launch the SIS repair program for Si
13 EndoWrists, I personally spoke directly to and had personal meetings with representatives from
14 numerous hospitals and healthcare systems. Many of those representatives were hospital supply
15 chain administrators or managers. A hospital supply chain administrator/manager is generally
16 responsible for managing the flow of medical supplies and equipment within a hospital, including
17 tasks like inventory control, vendor management, purchase orders, delivery coordination,
18 ensuring compliance with regulations, and optimizing supply chain processes to support patient
19 care and cost efficiency. Optimizing supply chain processes often includes analyzing supply
20 costs, identifying cost-saving opportunities, and implementing strategies to optimize spending.
21

22 12. In my experience, when it comes to healthcare purchasing for a device a hospital
23 or hospital system has never used before, making a sale often comes down to finding the primary
24 decision makers in a hospital or hospital system. But who exactly that is and what their job title is
25 can vary from hospital to hospital. In hospitals and hospital systems, supply purchasing decisions
26 for devices new to that hospital or system are typically made by a committee including healthcare
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1 professionals like doctors and nurses, alongside centralized purchasing and supply chain
2 managers, with significant influence often coming from physicians who directly use the supplies,
3 even if the final decision-making authority lies with an executive level administrator. In contrast,
4 a decision to engage a new repair program or service for existing hospital-owned devices are most
5 often reviewed and approved by managerial personnel such as SPD managers, contract
6 administrators, supply chain personnel etc.
7

8 13. Having become the highest priority for SIS, I spent three to four months in 2019
9 flying around the country to introduce potential customers to our Si EndoWrist repair program. I
10 met with various representatives, some from the C-suite, some were VP of supply chain, VP of
11 perioperative services, or the chief of robotic surgery, as well as Clinical, Materials Management
12 and Sterile Processing Departments. Every customer I contacted said they were excited about the
13 EndoWrist repair and reset program, about the opportunity to reduce the cost associated with their
14 robotic surgery, and wanted to participate if they could.
15

16 14. A group purchasing organization (GPO) is an entity that helps healthcare
17 providers—such as hospitals, nursing homes, surgery centers and clinics, and home health
18 agencies—realize savings and efficiencies by aggregating purchasing volume and using that
19 leverage to negotiate discounts with manufacturers, distributors and other vendors. Hospitals and
20 other healthcare providers use group purchasing to obtain the best products at the best value.
21 Most healthcare providers make group purchasing selections in a committee setting, usually
22 composed of healthcare professionals, such as doctors, nurses and other clinicians. These
23 committees help determine which medical supplies are most appropriate from a clinical
24 standpoint. Once a decision is made, GPOs work to negotiate contracts with healthcare
25 manufacturers, distributors and other suppliers. After a group purchasing contract is created, it is
26 still up to the hospital to decide which product is most appropriate in each circumstance and make
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1 the most appropriate purchase. GPOs do not purchase or buy any products. They negotiate
2 contacts that hospitals can use when making their own purchases.

3 15. SIS had a contract with the Vizient GPO organization, which covers well over
4 2,000 hospitals in the United States, for all of SIS's surgical instrument and device repair services,
5 including the Si EndoWrist repair and reset program. There were no other vendors on the Vizient
6 contract offering EndoWrist repair services. Indeed, Intuitive is not even a contracted supplier for
7 Vizient or any other national GPO. I made presentations regarding the SIS EndoWrist repair
8 program to various regions associated with the Vizient GPO organization. Legacy Health, Kaiser
9 Permanente, and Piedmont are all Vizient members.

11 16. My presentations were usually verbal and sometimes included follow up with
12 some customers that involved providing copies of one or more of the following materials to the
13 representatives I was meeting with: da Vinci EndoWrist Repair_2019 copy.pdf; da Vinci
14 EndoWrist Process_2019.pdf; SIS Summary of Quality Regulatory.pdf; EndoWrist FAQs.pdf.
15 (SIS095119-39) These materials were provided to SIS by Rebotix and reviewed by me and others
16 at SIS. In some cases, SIS made changes to the content of a couple of the documents before being
17 provided or distributed to any customers or prospective customers.

19 17. In or about August 2019, I attended the CCSA conference and presented the
20 EndoWrist repair program at the conference.

22 **Customers Contacted to Promote Sales of SIS's Si EndoWrist Repair Services**

23 18. I personally contacted the following healthcare providers through their
24 representatives as part of my efforts to introduce, educate about, and promote SIS's Si EndoWrist
25 repair services to those healthcare providers.

26 Banner Health System (includes 33 hospitals)

27 Legacy Health (includes 6 hospitals)

1 Providence Health System (includes 53 hospitals)

2 Marin Health

3 Honor Health (includes 6 hospitals)

4 Methodist Hospital of Southern California

5 Memorial Care (includes 3 Hospitals)

6 University Medical Center Irvine

7 Kaiser Permanente (includes 50+ hospitals)

8 University of Illinois Medical Center

9 Advocate Aurora Health System (includes 24 hospitals)

10 Ardent Health (includes 33 hospitals)

11 University of Michigan Medical Center

12 Duke University Medical Center

13 Piedmont Healthcare (includes 17 hospitals)

14 Salinas Valley Medical Center

15 Pomona Valley Medical Center

16 UHS (includes 33 hospitals)

17 SSM (includes 23 hospitals)

18 Redland Community Hospital

19 Northside Health (includes 6 hospitals)

20 Northeast Georgia Health (includes 6 hospitals)

21 Boston Children's Medical Center

22 Northwestern Memorial Healthcare

23 Yankee Alliance (includes 200+ facilities)

24 19. SIS was already on the national Vizient GPO contract for its non-EndoWrist repair

1 services. So I personally reached out to Vizient, Inc. (includes 2,000+ facilities), one of the
2 largest GPO's in the United States, through its representatives as part of my efforts to introduce,
3 educate about, and promote SIS's new repair services for the Si EndoWrists.

4 20. To the best of my recollection, I made presentations about the SIS EndoWrist
5 repair and reset program to representatives of numerous healthcare providers during the second
6 half of 2019. I made those presentations either in-person or via a Zoom call. The presentations
7 were all essentially the same in terms of content. Below I describe what I remember about the
8 specific healthcare providers and their representatives to whom I made those presentations. I
9 remember the hospital representatives after each presentation uniformly reacted positively to the
10 offered EndoWrist repair service. To the best of my knowledge, there were no subsequent trials or
11 evaluations of repaired and reset EndoWrists carried out at the facilities I describe in this
12 paragraph. My understanding is that SIS was not able to do any EndoWrist repair business with
13 any of these hospitals or hospital systems.

14 • Providence Health System ("Providence")

15 Providence was an established and existing customer of SIS and a Vizient GPO member.
16 As such, I had frequent and regular communications with Providence personnel in charge of the
17 repair services provided to them by SIS, including Christopher Phan, Client Executive and John
18 Harper, System Director Sterile Processing at Providence. Based upon conducting business with
19 Messrs. Phan and Harper, I learned that both were significantly involved with Providence's
20 supply chain administration and purchasing decisions with respect to repair services. I gave my
21 presentation to Christopher Phan and/or John Harper and introduced the SIS EndoWrist repair
22 program.

1 • University of Illinois Medical Center ("U of I")

2 U of I was an established and existing customer of SIS. As such, I had frequent and
3 regular communications with U of I personnel in charge of the repair services provided to them
4 by SIS, including Kendra Pitts, Director Value Analysis and Maggie Popek, SPD Manager at U
5 of I. Based upon conducting business with Ms. Pitts and Ms. Popek, I learned that both were
6 significantly involved with U of I's supply chain administration and repair services purchasing
7 decisions. I gave my presentation to Ms. Pitts and/or Ms. Popek and introduced the SIS
8 EndoWrist repair program.
9

10 • Ardent Health ("Ardent")

11 SIS had no prior business relationship with Ardent. I gave my presentation to Cairo
12 Wasfy, VP of Supply Chain and William Manning, Sourcing Manager at Ardent and introduced
13 the SIS EndoWrist repair program. I understood from my meeting with Cairo Wasfy and William
14 Manning that each was significantly involved with Ardent's supply chain administration and
15 repair services purchasing decisions.
16

17 • University of Michigan Medical Center ("Michigan")

18 SIS had no prior business relationship with Michigan, but Michigan is a Vizient GPO
19 member. I gave my presentation to Paul Helm, Client Support at Michigan and introduced the SIS
20 EndoWrist repair program. I understood from my meeting with Mr. Helm that he was
21 significantly involved with Michigan's supply chain administration and purchasing decisions.
22

23 • Duke University Medical Center ("Duke")

24 SIS had no prior business relationship with Duke, but Duke is a Vizient GPO member. I
25 gave my presentation to Kevin Strong, Senior Client Manager and Jennifer Stickler, Senior Client
26 Manager at Duke and introduced the SIS EndoWrist repair program. I understood from my
27 meeting that Mr. Strong and Ms. Stickler were significantly involved with Duke's supply chain
28

1 administration and repair service purchasing decisions.

2 • Salinas Valley Medical Center ("Salinas")

3 Salinas was an established and existing customer of SIS. As such, I had frequent and
4 regular communications with Salinas personnel in charge of the repair services provided to them
5 by SIS, including Melissa Aylard, Operations Manager and Juan Gomez, SPD Manager at
6 Salinas. Based upon conducting business with Ms Aylard and Mr. Gomez, I learned that both
7 were significantly involved with Salinas's supply chain administration and repair service
8 purchasing decisions. I gave my presentation to Ms. Aylard and Mr. Gomez and introduced the
9 SIS EndoWrist repair program.
10

11 • Pomona Valley Medical Center ("Pomona")

12 SIS had no prior business relationship with Pomona. I gave my presentation to Michelle
13 Medel, Director of Materials Management and/or Rich Santala, Director of Supply Chain at
14 Pomona and introduced the SIS EndoWrist repair program. I understood from my meeting that
15 Ms. Medel and Mr. Santala were each significantly involved with Pomona's supply chain
16 administration and purchasing decisions.
17

18 • UHS may be recovery program

19 SIS had no prior business relationship with UHS. I gave my presentation to Christopher
20 Nowak, Senior Director Technology Management at UHS and introduced the SIS EndoWrist
21 repair program. I understood from my meeting with Mr. Nowak that he was significantly
22 involved with UHS's supply chain administration and purchasing decisions.
23

24 • SSM

25 SIS had no prior business relationship with SSM, but they are a Vizient GPO member. I
26 gave my presentation to Brad Forth, VP of Supply Chain and/or Serina Seward, Senior Director at
27 SSM and introduced the SIS EndoWrist repair program. I understood from my meeting that Mr.
28

1 Forth and Ms. Seward were significantly involved with SSM's supply chain administration and
2 repair service purchasing decisions.

3 • Redland Community Hospital ("Redland")

4 Redland was an established and existing customer of SIS. As such, I had frequent and
5 regular communications with Redland personnel in charge of the repair services provided to them
6 by SIS. I gave my presentation to Bo Aceto, Director of Perioperative Services and Danny Avina,
7 Materials Management at Redland and introduced them to the SIS EndoWrist repair program. I
8 understood from my meeting that Messrs. Aceto and Avina were significantly involved with
9 Redland's supply chain administration and purchasing decisions.

10 • Northside Health ("Northside")

11 SIS had no prior business relationship with Northside, but they are a Vizient GPO
12 member. I gave my presentation to Randy Eccleston, SPD Director and/or Latasha Hall, Materials
13 Management at Northside and introduced the SIS EndoWrist repair program. I understood from
14 my meeting that Mr. Eccleston and Ms. Hall were significantly involved with Northside's supply
15 chain administration and purchasing decisions.

16 • Northeast Georgia Health ("Georgia")

17 SIS had no prior business relationship with Georgia. I gave my presentation to Barry
18 Bryant, SPD Manager at Georgia and introduced him to the SIS EndoWrist repair program. I
19 understood from my meeting with Mr. Bryant that he was significantly involved with Georgia's
20 supply chain administration and purchasing decisions.

21 • Boston Children's Medical Center ("Boston")

22 Boston was an established and existing customer of SIS. As such, I had frequent and
23 regular communications with Boston personnel in charge of the repair services provided to them
24 by SIS, including Christine L'Heureux, Director of Supply Chain and Scott McLeod, Sourcing
25

1 Manager at Boston. Based upon conducting business with Ms. L'Heureux and Mr. McLeod, I
2 learned that both were significantly involved with Boston's supply chain administration and repair
3 service purchasing decisions. I gave my presentation to Ms. L'Heureux and Mr. McLeod and
4 introduced the SIS EndoWrist repair program.

- 5 • Northwestern Memorial Healthcare ("Northwestern")

6
7 Northwestern was an established and existing customer of SIS. As such, I had frequent
8 and regular communications with Northwestern personnel in charge of the repair services
9 provided to them by SIS, including Kyle Shulfer, Strategic Sourcing Manager at Northwestern.
10 Based upon conducting business with Mr. Shulfer, I learned he was significantly involved with
11 Northwestern's supply chain administration and repair service purchasing decisions. I gave my
12 presentation to Mr. Shulfer and introduced him to the SIS EndoWrist repair program.

- 13 • Yankee Alliance ("Yankee")

14
15 Yankee was an established and existing customer of SIS. As such, I had frequent and
16 regular communications with Yankee personnel in charge of the repair services provided to them
17 by SIS, including Tom Kennedy, Contracting Manager at Yankee. Based upon conducting
18 business with Mr. Kennedy, I learned he was significantly involved with Yankee's supply chain
19 administration and repair service purchasing decisions. I gave my presentation to Tom Kennedy
20 and introduced him to the SIS EndoWrist repair program.

21
22 21. To the best of my recollection, every single one of the customers that I called on --
23 that did not proceed with the SIS Endowrist repair and reset program -- said to me in words or
24 substance, "Keith, this sounds great, let us do our due diligence and we'll get back to you." Soon
25 thereafter, every single one, either via email or a phone call to me said in words or substance:
26 "Keith, Intuitive does not allow us, they will not allow us to do your program, our contracts won't
27 allow us to do it. We're being told that this will void our warranty, we're being told this will void
28

1 our service agreement. as much as we want to do it, we can't take the risk of being penalized or
2 the pressure we would get from Intuitive Surgical."

3 22. Banner Health System ("Banner")

4 Banner has been an SIS customer for over 20 years. As such, I had frequent and regular
5 communications with Banner personnel in charge of the repair services provided to them by SIS,
6 including Perry Kirwan and Tim Brooks. In approximately September 2019, I personally reached
7 out to (by phone, email, and text) and spoke multiple times with Perry Kirwan, VP of Clinical
8 Engineering and Tim Brooks, System Director Sterile Processing at Banner to arrange for me to
9 make a presentation about the SIS EndoWrist repair program. Since Banner was already an
10 important and existing customer of SIS for other repair services, I became personal friends with
11 Perry Kirwan and Tim Brooks. Additionally, because of the business relationship between Banner
12 and SIS, I spoke with Messrs. Kirwan and Brooks regularly.

13 After multiple meetings, calls and discussions with Perry Kirwan and Tim Brooks, Perry
14 communicated the information I had given him about the EndoWrist repair program to the Banner
15 Corporate Robotic Committee. Thereafter, on three separate occasions, I presented the details of
16 the repair program to the Banner Committee via Zoom. I understood from my communications
17 with Messrs. Kirwan and Brooks that the members of the Banner Committee included robotic
18 surgeons, clinical leadership, corporate supply chain personnel, risk management, infection
19 control, as well as sterile processing. All of the Banner Committee members were significantly
20 involved with Banner Health System's supply chain administration and purchasing decisions, as
21 were Perry Kirwan and Tim Brooks.

22 Mr. Kirwan communicated with me via email dated September 25, 2019 that Banner was
23 "looking to gear up for Si program at BUMCT/S." He also wrote: "I believe we are very close to
24 actual kick-off which is awesome. I'm looking forward to realizing the gains that we believe that
25

1 this program is going to provide to both of us."

2 In November 2019, I had a Zoom call with Banner personnel to discuss the da Vinci Si
3 Arm repair program. Those attending from Banner included Michael O'Connor (Chief Medical
4 Officer), Dr. Nirav Patel (Chief Robotics Surgeon), Sherry Addair (Clinical Supply Chain), Tim
5 Brooks (System Director Sterile Processing), Nicole Bowers (Risk Management), and Perry
6 Kirwan (VP of Clinical Engineering). During that Zoom call, the Banner representatives asked a
7 number of questions such as: "At the facilities where the SIS EndoWrist repair and reset program
8 is running, has Intuitive challenged the repair program?" "If so, what happened?" "What has
9 Intuitive done at other facilities that are using SIS to repair and reset their EndoWrists?" "Has
10 Intuitive messed with other facilities because SIS is repairing and resetting their EndoWrists?"

11 At the end of 2019, SIS was collecting used EndoWrists from Banner for repair and reset.
12 SIS did some EndoWrist resets for evaluation by Banner. On January 14, 2020, I received an
13 email from Perry Kirwan that stated "we [Banner] are not authorized to move forward with the
14 repair/reset program." Shortly after receiving his email, Perry and I spoke on the phone and he
15 informed me that Banner's decision was based on contractual restrictions in Banner's contract
16 with Intuitive.

17
18
19 23. Legacy Health

20 Legacy Health was an established and existing customer of SIS and a member of Vizient.
21 As such, I had frequent and regular communications with Legacy Health personnel in charge of
22 the repair services provided to them by SIS, including Raymond Mackay and Jerry Hutchison.
23 Based upon conducting business with Messrs. Mackay and Hutchison, I learned that both were
24 significantly involved with Legacy Health's supply chain administration and purchasing
25 decisions.
26

27 In about early July 2019, I personally reached out to (by phone, email, and text) and spoke
28

1 multiple times with Raymond Mackay, Director of Supply Chain and Jerry Hutchison, Clinical
2 Director at Legacy Health to arrange for me to make a presentation about the SIS EndoWrist
3 repair program.

4 Thereafter, I met in person with Jerry Hutchison sometime in the first part of July 2019
5 and introduced the SIS EndoWrist repair program. In the middle of July 2019, SIS began
6 collecting Legacy Health EndoWrists for repair and reset.

7 On August 8, 2019, I was invited to give a presentation via Zoom to Legacy's clinical
8 leadership, which I did. The subject matter of the presentation was "Si Repair and Reprocessing:
9 Cost Savings Opportunities." That Zoom presentation was attended by Raymond Mackay
10 (Director of Supply Chain); Jason Thorton (Corporate Supply Chain); Tom Haywood (Vice
11 President); Stacy Youngs (Vice President); and Brett McClellan (System SPD Manager).

12 On August 13, 2019, I received an email from Tammy Garrett, Robotic Coordinator at
13 Legacy Health, which thanked us for providing the EndoWrist repair and reset program and
14 stated: "Thus far we have no complaints from either surgeons or staff."

15 On November 20, 2019, I had an in-person meeting at Legacy Health with Raymond
16 Mackay, Jerry Hutchison (Clinical Director) and Brett McClellan. The purpose of the meeting
17 was to address questions they had about Intuitive's contract restrictions, which Legacy Health had
18 to figure out before they would be willing to proceed any further with the repair program. To my
19 knowledge, Legacy Health did not proceed any further.

20 24. MarinHealth

21 SIS had no prior existing business relationship with MarinHealth. In late August or early
22 September 2019, I personally phoned and spoke with John Ayers, Peri-Operative Business
23 Manager at MarinHealth to arrange for me to make a presentation about the SIS EndoWrist repair
24 program.

1 I met in person with John Ayers and Johanna Torres, SPD Manager, in late September
2 2019, and introduced them to the SIS EndoWrist repair program. During that visit, Mr. Ayers
3 made the decision to proceed and I picked up a couple of MarinHealth used EndoWrists to be
4 repaired and reset. On October 7, 2019, I personally returned the repaired and reset EndoWrists to
5 MarinHealth. Over the next 45 days or so, SIS pick up three additional orders of MarinHealth
6 EndoWrists to be repaired and reset.
7

8 In an email dated November 25, 2019, John Ayers wrote to me: "Hey Keith, I got a lot of
9 push back from Intuitive on this [the EndoWrist repair program]. They're going to our c-suite
10 with their concerns."
11

12 In an email dated December 3, 2019, John Ayers wrote to me: "Keith, I'm requesting that
13 we put a hold on any repairs with SIS until we review the letter received from Intuitive legal
14 yesterday."
15

16 25. Honor Health ("Honor")

17 Honor was an established and existing customer of SIS. As such, I had frequent and
18 regular communications with Honor personnel in charge of the repair services provided to them
19 by SIS, including Tim Miller and Mark Dozier. Based upon conducting business with Messrs.
20 Miller and Dozier, I learned that both were significantly involved with Honor's supply chain
21 administration and purchasing decisions.

22 I personally contacted and spoke with Tim Miller, VP of Supply Chain and/or Mark
23 Dozier, Associate VP of Supply Chain at Honor to arrange for me to make a presentation about
24 the SIS EndoWrist repair program.

25 I met with Tim Miller in person and Mark Dozier on February 5, 2020 and introduced
26 them to the SIS EndoWrist repair program. I did not hear anything further from Mr. Miller about
27 the repair program.
28

1 26. Methodist Hospital of Southern California ("Methodist")

2 Methodist was an established and existing customer of SIS. As such, I had frequent and
3 regular communications with Methodist personnel in charge of the repair services provided to
4 them by SIS, including Daniel Shay, Director of Materials and Roxanne Contreras, SPD Manager
5 at Methodist. Based upon conducting business with Mr. Shay and Ms. Contreras, I learned that
6 both were significantly involved with Methodist's supply chain administration and repair services
7 purchasing decisions.
8

9 On August 19, 2019, I met with Mr. Shay and Barry McElyea (Clinical Director) and
10 introduced them to the SIS EndoWrist repair program. Both gentlemen appeared eager to start
11 using SIS to repair their EndoWrists. Mr. Shay said he was going to look into launching the
12 program at Methodist.
13

14 In early September 2019, I personally installed large bins at Methodist to collect
15 EndoWrists for the SIS repair and reset program. SIS, however, never collected any Methodist
16 EndoWrists for repair.

17 In December 2019, I had a phone conversation with Daniel Shay during which he said
18 Methodist would not be using the EndoWrist repair program due to their relationship with
19 Intuitive and the terms of the Intuitive contract.
20

21 27. Memorial Care ("Memorial")

22 Memorial was an established and existing customer of SIS. As such, I had frequent and
23 regular communications with Memorial personnel in charge of the repair services provided to
24 them by SIS, including Becky Klungrester, Clinical Director and Mary Beth Joiner, Clinical
25 Manager. Based upon conducting business with Ms. Klungrester and Ms. Joiner, I learned that
26 both were significantly involved with Memorial's supply chain administration and repair services
27 purchasing decisions.
28

1 On August 19, 2019, I personally met with Mary Beth Joiner and Carol Hughes (Clinical
2 Director) and introduced them to the SIS EndoWrist repair program. I also provided them with
3 my usual documentary handouts about the program. Both Ms. Joiner and Ms. Hughes seemed
4 eager to start using the EndoWrist repair program.

5
6 However, on October 19, 2019, I spoke by phone with Mary Beth Joiner. During that call
7 she told me that she and Carol Hughes liked the SIS EndoWrist repair and reset program, but that
8 she was not able to authorize repair of Memorial EndoWrists by SIS because of their contract
9 with Intuitive.

10 28. University Medical Center Irvine ("Irvine")

11 Irvine was an established and existing customer of SIS. As such, I had frequent and
12 regular communications with Irvine personnel in charge of the repair services provided to them
13 by SIS, including Charles Adams, Director of Clinical Management and Gene Abad, Director of
14 Sourcing/Contracting at Irvine. Based upon conducting business with Messrs. Adams and Abad,
15 I learned that both were significantly involved with Irvine's supply chain administration and
16 repair services purchasing decisions.
17

18 On July 31, 2019, I personally met with Mr. Adams and Mr. Abad and introduced the SIS
19 EndoWrist repair program. Both gentlemen appeared to be greatly interested in the program.
20

21 On September 23, 2019, I had a Zoom call regarding the SIS EndoWrist repair program
22 with David Binkley (Clinical Director) and Noreen Borrone (SPD Manager). Mr. Binkley said he
23 was ready to start collecting EndoWrists for repair and resetting. Ms. Borrone also appeared
24 enthusiastic about starting the repair program.

25 On December 18, 2019, I had an in person meeting with David Binkley, Charles Adams
26 and Noreen Borrone about the EndoWrist repair program. During that meeting, they asked
27 whether the SIS EndoWrist repair and reset program would create a conflict with their Intuitive
28

1 contract restrictions.

2 On January 29, 2020, I had a phone call with David Binkley (Clinical Director) during
3 which he told me that as much as he wanted to do the EndoWrist repair program, Irvine's
4 Materials Management would not approve using SIS to repair their EndoWrists because of the
5 terms of the contract with Intuitive.

6
7 29. Kaiser Permanente ("Kaiser")

8 Kaiser was an established and existing customer of SIS and was a member of Vizient. As
9 such, I had frequent and regular communications with Kaiser personnel in charge of the repair
10 services provided to them by SIS, including Juanita R. Gomez, Brenda L Paulsen, Cara K.
11 Kruger, Maria A Nario, Nestor Jarquin and Donald Cabrera.

12 At the end of July 2019, I sent documents via email to Brenda Paulsen that describe the
13 SIS EndoWrist repair and reset program. I personally met with Dr. Albert A. Mikhail (Director of
14 Product Efficiency and Local Director of Robotic Surgery) at Kaiser Fontana to discuss the
15 EndoWrist repair and reset program. I also arranged for a set of repaired and reset EndoWrist
16 instruments for Dr. Mikhail to conduct a trial in actual surgery.

17
18 At the end of August 2019, I delivered four repaired and reset EndoWrists to Brenda
19 Paulsen at Fontana. On August 28, 2019, I received an email from Brenda Paulsen confirming
20 receipt of the repaired and reset EndoWrists that I had delivered. She also advised me that Dr.
21 Mikhail was planning to use those EndoWrists for a trial evaluation in actual surgery on
22 September 11, 2019.

23
24 At the end of August 2019, I met with Juanita R. Gomez (Robotics Liaison), Brenda L
25 Paulsen (Area Sterile Processing Director), Cara K. Kruger, and Maria A Nario to present the
26 information about the SIS EndoWrist repair program. On September 11, 2019, I received an email
27 from Dana Ressel (Product Implementation Manager - SBC) stating that Kaiser was still
28

1 considering moving forward on the trial period with nine repaired and reset EndoWrists. In an
2 email dated the next day, September 12, 2019, to me from Dana Ressel, she stated: "I would not
3 be concerned about expediting as we have officially been put on hold. I can let you know when
4 that has been lifted."

5
6 On October 2, 2019, I sent via email to Nestor Jarquin and Donald T. Cabrera
7 documentation regarding the SIS EndoWrist repair and reset program, specifically da Vinci
8 EndoWrist Repair_2019 copy.pdf; da Vinci EndoWrist Process_2019.pdf; SIS Summary of
9 Quality Regulatory.pdf; EndoWrist FAQs.pdf. I also followed up with an email to Dana Ressel
10 on October 8, 2019 asking for any updates on the plan for the SIS EndoWrist repair and reset
11 program. I followed up with Juanita Gomez via email on October 8, 2019 asking for the status of
12 starting the EndoWrist repair and reset program at Kaiser. Thereafter, following those emails, I
13 reached out via email on October 29, 2019 to Nestor Jarquin, System Sourcing Director at Kaiser
14 to arrange for me to make a Zoom presentation about the SIS EndoWrist repair program.
15

16 On December 4, 2019, I gave a Zoom presentation to Nestor Jarquin and Donald T.
17 Cabrera about the SIS EndoWrist repair service. Although Messrs. Jarquin and Cabrera both
18 seemed very interested in the program, they told me that Kaiser could not proceed because of
19 contractual restrictions and Kaiser's relationship with Intuitive. They told me that if the situation
20 changed, they would let me know.
21

22 30. Advocate Aurora Health System ("Aurora")

23 Aurora was an established and existing customer of SIS. As such, I had frequent and
24 regular communications with Aurora personnel in charge of the repair services provided to them
25 by SIS, including Brian Mirsberger. In late July or early August 2019, I personally contacted and
26 spoke with Brian Mirsburger, Clinical Sourcing Manager and Thomas Lubotsky, Chief Supply
27 Chain Officer at Aurora to arrange for me to make a presentation about the SIS EndoWrist repair
28

1 program.

2 On August 16, 2019, I met with Mr. Mirsburger in person and introduced the SIS
3 EndoWrist repair program. I understood from my meeting with Mr. Mirsburger that both he and
4 Mr. Lubotsky were significantly involved with Aurora's supply chain administration and
5 purchasing decisions involving repair services.
6

7 In early September 2019, I emailed Brian Mirsberger inquiring about the status of the
8 EndoWrist repair and reset proposal for Aurora. Mr. Mirsberger responded to me by email dated
9 September 6, 2019 stating that: "We're working on getting the word out." He also wrote: "We see
10 this as a big potential win, and will be giving it the appropriate attention that it deserves."

11 On September 13, 2019, I received an email from Brian Mirsberger which advised me that
12 "all the regional directors of Materials Management have now been presented with this
13 information [about the SIS EndoWrist repair program]. All of them are very interested and will be
14 speaking their sites."
15

16 On September 25, 2019, I had a Zoom call with Aurora's clinical leadership to present the
17 details of SIS's EndoWrist repair program. Those attending the Zoom call on behalf of Aurora
18 included at least Johnnie Bianchin (Supply Chain), Julie Thompson (Clinical Leadership) Marge
19 Fremouw (Director of Materials Management), and Diane Fruhstruck (Clinical Leader). Aurora's
20 clinical leadership attending the Zoom meeting reacted very positively to my presentation.
21

22 On October 3, 2019, I participated in another Zoom call to discuss the SIS EndoWrist
23 repair service with Jocelyn Chua (Clinical Director) and Jose Dorado (Supply Chain). SIS began
24 collecting EndoWrists from multiple facilities in the Aurora system. On October 22, 2019, SIS
25 invoiced Aurora for five repaired and reset EndoWrists. On October 29, 2019, SIS invoiced
26 Aurora for another two repaired and reset EndoWrists.
27

28 Toward the end of January 2020, I spoke by phone with Brian Mirsberger during which he

1 told me that Aurora's legal department would not give the go ahead for using the SIS repair
2 program because of the contract with Intuitive.

3 31. Piedmont Healthcare ("Piedmont")

4 Piedmont was an established and existing customer of SIS and was a member of Vizient.
5 As such, I had frequent and regular communications with Piedmont personnel in charge of the
6 repair services provided to them by SIS, including Ben Haygood and Matt Lee. Based upon
7 conducting business with Messrs. Haygood and Lee, I learned that both were significantly
8 involved with Piedmont's supply chain administration and repair service purchasing decisions.
9

10 In August 2019, I personally contacted and spoke with Ben Haygood, Sourcing Manager
11 at Piedmont to arrange for me to make a presentation about the SIS EndoWrist repair program.
12

13 On August 23, 2019, I met in-person with Mr. Haywood and Carol Sandbo (Clinical
14 Resource Manager) at Piedmont's corporate supply chain offices. During that meeting I made my
15 presentation about the SIS EndoWrist repair program. My impression was that Mr. Haywood and
16 Ms. Sanbo were impressed with the EndoWrist repair program and were very interested to see if
17 it could be used at Piedmont.

18 During September 2019, I had multiple conversations with Matt Lee (Manager Materials
19 Management) about how the SIS repair program would operate. At that same time, SIS was
20 collecting EndoWrists from Piedmont Fayette.
21

22 On October 16, 2019, I had a Zoom call with Ben Haygood and he told me that Piedmont
23 needed to hold off on the SIS EndoWrist repair program because their Intuitive contract would
24 not allow the repair of EndoWrists by a third party. Additionally, Ben told me that Piedmont was
25 in the process of negotiating with Intuitive to obtain new robots and Piedmont was concerned that
26 using the SIS EndoWrist repair service could interfere with those negotiations.
27
28

1
2
3 I declare under penalty of perjury under the laws of the United States of America that the
4 foregoing is true and correct.

5 Dated: December 11, 2024

Keith Johnson

Keith Johnson